

HB 2120

CHANGES TO NATURAL GAS ISRS



Earlier this year, **HB 2120** was signed into law. The bill made several changes related to utility infrastructure. Of particular note to customers of investor-owned natural gas utilities, one of the subjects in the bill impacted natural gas infrastructure system replacement surcharges (“ISRS”). Natural gas ISRS charges are for costs related to natural gas pipeline replacements and relocations which are not currently included in a natural gas corporation’s rates.

HB 2120 included the following changes related to the natural gas ISRS:

- Redefined what projects are eligible for a natural gas ISRS;
- Specified what costs can be included in the surcharge calculations;
- Required a competitive bidding process for related infrastructure replacement projects;
- Directed how refunds are to be handled if a court of competent jurisdiction finds the ISRS charges were unlawful and inappropriate;
- Extended timelines for PSC Staff and the Commission to respond to ISRS petitions;
- Established a sunset for the natural gas ISRS on August 28, 2029; and,
- Corrected a misreference in Section 393.1012 of the Revised Statutes of Missouri.

The full language of HB 2120 can be found at

<https://house.mo.gov/billtracking/bills201/hlrbillspdf/4879S.08T.pdf>.

The language that HB 2120 removed from statute is denoted by bold-faced brackets and the language in bold-face type is the new language of the law. The changes became effective August 28, 2020.